

**Brandeis University
International Business School**

**Building the Brandeis
Global Business School**

Review and Update, 2006

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Brandeis University
INTERNATIONAL BUSINESS SCHOOL

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Review and Update, 2006**

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Executive Summary

In February 2001, the Brandeis International Business School (IBS, then the Graduate School of International Economics and Finance) adopted a 7-year plan to create a pre-eminent, niche business school specialized in international business, economics and finance. We set our mission as advancing the understanding of globalization, preparing principled leaders for the global economy, and, more generally, promoting shared global prosperity.

In the five years since, the world has changed dramatically, but IBS's vision is intact and many of its key objectives have now been realized. The School has grown rapidly and achieved critical scale, and its distinctive mission, high quality programs, and remarkable diversity are known and respected.

The School has also benefited from exceptional intellectual and financial leadership from its Boards and other key supporters. Against this background, IBS is well positioned to plan its next steps with ambition and confidence.

Recent progress

The 2001 plan focused primarily on quality and scale—IBS had to become big enough to do its job well and to attract national visibility. Its main achievements include:

- ***Scale*** Graduate enrollments nearly doubled to 317 full-time-equivalent (FTE) students in 2005/06, achieving the steady-state target ahead of plan. All four graduate programs—MA, MBA, MSF and PhD—are well positioned in their fields and are at critical scale.
- ***Academics*** The faculty increased from 14 to 23 FTEs¹ and four new professorships and two new centers of excellence have been created.
- ***Facilities*** The new Samuel Lemberg Academic Center, opened in 2003, doubled IBS's capacity and significantly enhanced its productivity and identity.
- ***Operations*** Admissions, career services, marketing and outreach functions have become highly professional, and a new executive education unit was launched.

These developments enhanced IBS's programs and reputation and enabled it to make wider contributions to the University. In addition to its graduate activities, IBS now sponsors major campus-wide events, runs a popular undergraduate minor, admits exceptional undergraduates to its courses, and supports the University's research and teaching through its PhD program.

The School's finances also strengthened. Tuition revenues more than doubled to \$5.4 million (projected FY06) and are nearly 20 percent ahead of plan. Expenditures increased to \$5 million, less than planned due to University-wide economies. The School's operating margin thus doubled to \$1.2 million, and its financial assets grew from \$9 to \$24 million.

Reaffirming the School's vision

As when IBS was launched, economic interdependence—now called “globalization”—creates major opportunities for countries, companies and individuals, and generates intense professional and academic interest. While the “dark side” of globalization has also become evident since 9/11, trade, capital flows and migration continue to flourish. All these factors make IBS's mission increasingly relevant; economic cooperation and principled global leadership are essential antidotes to cultural and religious divisions, and a professional school dedicated to these values offers a compelling academic model for our times.

Given its rapid progress, IBS is now poised to join the ranks of the world's top business schools. We have carefully analyzed the implications of this ambitious goal and, with help from exceptional supporters,

¹ This includes 3 FTEs teaching in the new undergraduate business minor.

secured funding for many of the steps needed to achieve it. These are outlined below.

Academic leadership

Our first academic priority is to enhance the size and quality of our faculty, even beyond the levels articulated in 2001. We will make nine regular² faculty additions in the next few years, including two or three “stars.” To make these positions truly competitive, we will support our faculty with increased funding and time allotments for research.

Second, we will deepen our academic leadership in selected areas by developing “fields of excellence” that focus world-class expertise on the most dynamic subfields of our niche.

Third, we will expand the School’s global reach, including by intensifying collaborations with foreign universities through dual degree programs.

Students

With respect to students, our first priority is to enroll the most talented and committed individuals possible, from around the world. To this end, we will increase scholarships and intensify recruiting efforts.

Second, we wish to offer students not just excellent academics, but also the best academic and career guidance possible. This means helping students define ambitious professional goals and ensuring that they have the skills and opportunities needed to reach them.

Third, we will continue to nourish the School’s critical asset, its close-knit, international community, by providing vigorous support to student clubs and academic and social events.

Operations

Our first operational goal is to raise IBS’s national and international profile. Our reputation doesn’t yet reflect recent advances in the quality of our programs and faculty. We need bold, new marketing initiatives, in part supported by Brandeis’s central communications efforts.

Second, we will seek to achieve early accreditation by the Association for the Advancement of Collegiate Schools of Business. This accreditation is important in its own right—it benchmarks us against best business school practices—and is also essential for wider visibility.

Third, we will further build our executive education programs, to enhance the School’s professional reach and to utilize its expertise to meet emerging global needs.

Fourth, in implementing this plan, we will manage our finances to meet all academic and operational needs as well as transfers committed to the University. IBS’s financial outlook for the intermediate term is excellent, but its fundraising and financial management will need to remain productive to ensure sustained success.

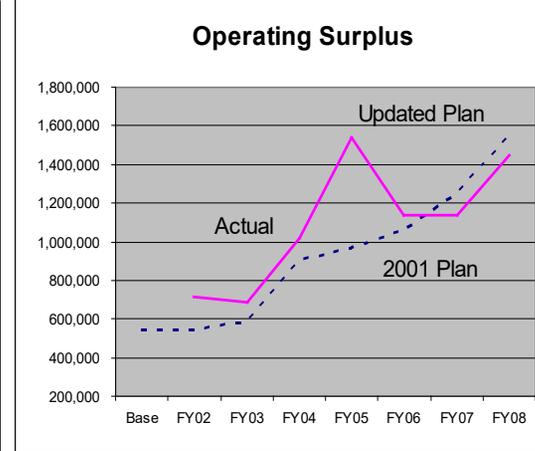
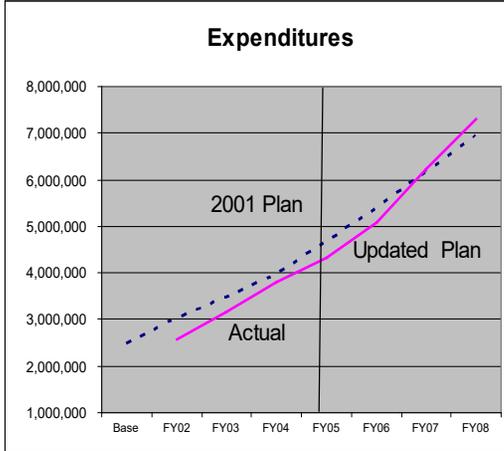
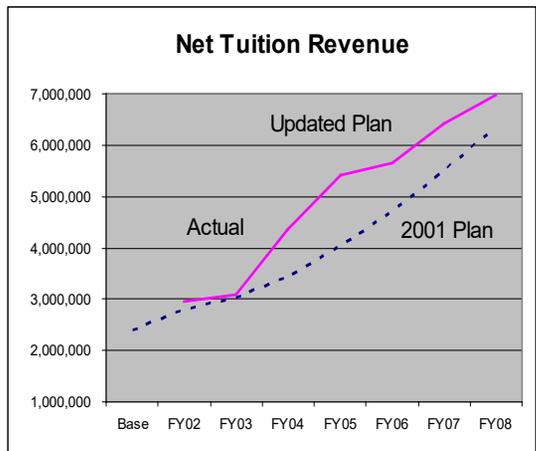
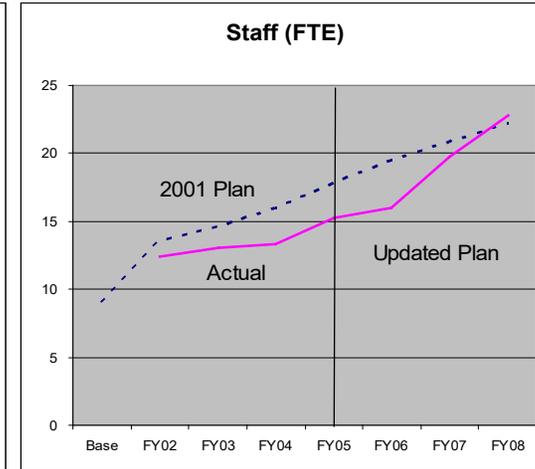
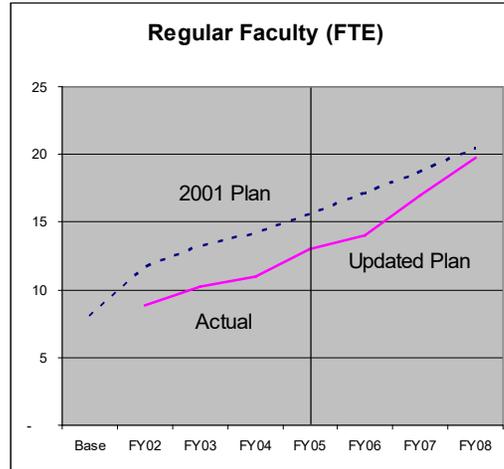
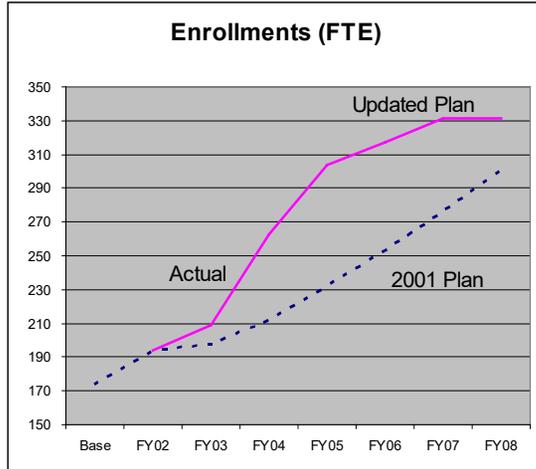
Community

IBS’s progress will require close collaboration with the University’s leadership, especially in development. The School greatly values its Brandeis context. Its rapid progress owes much to the University’s reputation and success, and in turn, IBS makes important academic and financial contributions.

IBS is the product of an extraordinary community: committed Boards and supporters, faculty and staff, soon 1,000 talented alumni, and many friends in the larger Brandeis family. This vibrant network offers eloquent testimony to the promise of globalization, the opportunities that it brings to Brandeis, and to the bright future of IBS.

² This term covers contract faculty with extensive commitments to Brandeis as well as tenure-track faculty.

Key Indicators: Actual, 2001 Plan, Updated Plan



Building the Brandeis Global Business School

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I. INTRODUCTION

In February 2001, the Brandeis International Business School (then named the Graduate School of International Economics and Finance) adopted a 7-year plan³ to build a preeminent global business school—a unique international academic community focused on the study of global markets. The plan proposed a distinctive niche strategy predicated on the accelerating pace of globalization and focused on academic excellence.

Despite tumultuous changes in the global environment since, the vision has held up well. As Figure A (in the Executive Summary) shows, major progress has been made on all key aspects of the plan. The student body has exceeded its targeted size, increasing from 173 to 317 full-time equivalents (FTEs) in 2005. The faculty has grown from 14 to 23 FTEs, and the staff from 9 to 16. Popular new programs have been added for undergraduates. A superb new facility, the Samuel Lemberg Academic Center, opened in 2003, providing space for growth and engendering a strong sense of community.

In 2003, the School changed its name to IBS from “Graduate School of International Economics and Finance,” symbolizing its evolution into a true business school, albeit one with a very distinctive vision. Building on established strengths in economic policy and global finance, IBS now also has a distinguished business faculty and business offerings, and its MBA enrollments are increasing rapidly. The Brandeis MBA is young and small, but is already ranked by one authoritative source as one of the world’s best business schools. These assets, in turn, have been leveraged to enroll better students in larger numbers.

This note revisits the School’s vision and updates its strategy. Capitalizing on the School’s achievements and extraordinary support from generous investors, it sets ambitious new targets for achieving academic preeminence.

II. TOWARD EXCELLENCE: RECENT PROGRESS

IBS was built on the premise that globalization requires new kinds of expertise and leadership. Tomorrow’s global leaders will need new “hard” skills in fields such as global capital markets, and new “soft” skills in fields such as cross-cultural management. By pioneering in these areas, Brandeis could make an important contribution to business education, and more generally to international cooperation and global prosperity.

The strategy for building this new professional school—a daunting objective in America’s competitive business school market—was based on activating the “virtuous cycles” of education, that is, on creating positive feedbacks between academic quality and recognition. By addressing globalization with outstanding programs and faculty, we sought to attract

³ The plan was drafted in collaboration with McKinsey & Co.

excellent students. They, in turn, would help to attract top employers, faculty and staff. These would further enhance the learning experience, and so forth, intensifying the positive dynamic. With these goals in mind, the 2001 plan set specific goals with respect to:

- Reaching critical scale
- Academic excellence
- Facilities
- Operations and resources

As hoped, initial investments in these areas reinforced each other. Over time, our progress then justified critical new investments, including especially in an excellent facility that enabled further growth and created a world-class environment. The results are summarized below and in Annex A.

Reaching critical scale

The 2001 plan argued that the School had to grow to compete effectively with top business schools for students, faculty and recognition. In addition, IBS needed to establish its roots more fully as a business school, beyond its expertise in economics and finance. Over the last five years, IBS has developed a substantial, distinctive business curriculum, and matched the scale of its (smaller) major competitors.

In those five years, IBS increased its applicant pool by roughly 50 percent, and expanded each of its graduate programs (see Annex B). In 2005/06, it enrolled 200 new first-year students and its student population reached nearly 400 (317 FTEs). This year, IBS will receive more than 600 applications from a wide range of countries and professional backgrounds. In each of the last three years, applications increased significantly, despite a market down-turn that forced many other business schools to reduce enrollments.

IBS now attracts students from more than 50 countries, with half from outside of the United States. The qualifications of students are also improving; GMAT and GRE scores are rising, and students arrive with increasingly focused professional experience.

Academic excellence

The School's distinctive curriculum offers an overview of globalization, state-of-the-art technical subjects, and immersion in international experiences and professional practice.

Varied innovations address this agenda. A recently developed course on "Global Economic Environment" provides all first year students a common experience. International team projects are built into several early courses. The curriculum addresses ethical issues (Corporations and Communities), corporate governance, and many specialized topics such as managing across cultures, international negotiations, marketing research, country risk, international real estate, and consulting. It is closely focused on best practices in business and policy, and also offers opportunities for hands-on-learning (Field Projects in Consulting).

Faculty growth and major institutional initiatives have played a large role in raising the School's academic profile. Since 2001, the IBS graduate faculty increased from 14 to 20 FTEs, including high-profile appointments such Stephen Cecchetti, a former Research Director of the Federal Reserve Bank of New York. Catherine Mann, a prominent expert in international technology now at the Institute for International Economics will join us next fall. The Earle W. Kazis Professorship in the Practice of International Real Estate has given us a foothold in this "hot" field with Edward Bayone, a seasoned financial professional.

Three new chairs will provide further opportunities for strengthening the faculty. At the same time, the new Rosenberg Institute of Global Finance and the Asper Center for Global Entrepreneurship are leveraging our faculty with research and outreach platforms.

IBS's role has also expanded within Brandeis. In addition to our BA/MA program, a popular "business minor" has been launched, enrolling 1 in every 7 undergraduates. IBS events, such as the visit of Czech President Vaclav Klaus and the annual Asper Entrepreneurship Forum, often engage the entire campus.

Facilities

To support growth, the 2001 plan proposed a new "Living and Learning Center" comprising academic spaces and a residence. The academic component of the plan has been realized: the Samuel Lemberg Academic Center⁴ opened in fall 2003, doubling IBS's academic capacity. Its impact cannot be overstated. Functional and attractive spaces—the World Court café, the Asper Entrepreneurship Suite, the Thomas H. Lee Lecture Hall, the Gross Lounge, the Tulin Admissions Suite, and other spaces—have improved IBS's operations and engendered a powerful sense of community. Our facilities, rather than visibly overstressed, are now a powerful draw for students and faculty.

The need for a residence remains: three times as many IBS students request on-campus housing as can be accommodated today. A residence would also support executive programs; participants are currently shuttled to hotels. The cost will be around \$12 million and, under University rules for IBS, has to be funded fully from new gifts.

Operations and resources

In recent years, we targeted the following operational priorities:

- *Career Services* We expanded our Career Services office from one to four individuals and appointed an Assistant Dean with a business background to lead it. A new course on career development has been created, and employer outreach, company visits, job postings, and placement rates have all improved.
- *Executive Programs* We created an Executive Programs office and launched new programs, including on macroeconomic policy and management, and on regulatory policy. We also formed partnerships with other organizations to develop new offerings.
- *Marketing* We changed the School's name and crafted clear messages to signal its distinctive, yet main-stream mission. We expanded our Admissions Office from two to three staff members and increased its recruiting budget, and substantially upgraded our website and publications.

To fund academic and operational initiatives, the 2001 plan proposed a fundraising goal of \$50 million, anticipating that the effort would benefit from the University's overall Capital Campaign, which was just getting started at the time. In the event, the University set the IBS component of the campaign at \$25 million. With exceptional leadership from IBS Overseers and friends, we will have raised more than \$30 million by the endpoint of the original Campaign for Brandeis in 2006.⁵

⁴ The Center is named in honor of Samuel Lemberg, the prominent New York real estate developer and early Trustee of Brandeis, whose grandsons Adam and John Usdan are key members of our Board of Overseers.

⁵ A new phase of the Campaign will be launched at that time, and of course IBS will

IBS financial results have been favorable throughout the last five years, notwithstanding an economic downturn and setbacks in international enrollments in many US universities. Enrollment growth and generous gifts have been the principal drivers of these results. In FY06 (projected):

- Tuition and other program revenues will be \$5.4 million, almost \$1 million above the 2001 plan due to rapid growth in enrollments.
- Gift and endowment income *spending* will be \$0.6 million, almost \$1 million below plan. *Receipts* of gifts and income were higher; given our strong program revenues, we have been able to save a significant positive difference for future uses.
- Expenditures will be \$5.1 million, \$0.3 million below plan. This reflects mainly the residual effect of earlier University-wide reductions in faculty and staff hires.
- The operating margin will be \$1.1 million, \$0.1 million above plan.
- Financial assets earmarked for IBS will have grown from \$9 million in FY01 to \$24 million at the end of FY06, \$4 million more than planned. In addition, our new \$8 million facility was fully funded during this period.

Overall, the challenging academic and financial targets of the 2001 plan have been largely exceeded. The School is thus well positioned for future initiatives.

III. TOWARD PREMINENCE: NEXT STEPS

IBS's mission—scholarship and teaching focused on global markets and shared prosperity—has attracted outstanding people and a strong resource base. These now make it possible for to focus the School's strategy ambitiously on leadership in its fields.

Reaffirming the School's Vision

Global interdependence has continued to intensify since 2001, but its most dramatic manifestation today is not peaceful economic activity, but threats to security. The "dark side" of globalization could have worked against economic interdependence, but in fact trade, capital and people flows continue to grow, and help to knit the world closer together.

In this context, IBS's mission is ever more important. International economic activity today, while vigorous, is less routine and more sophisticated than even a few years ago. At the same time, bridging cultures—introducing tomorrow's foreign leadership to American values, and *vice versa*—is increasingly vital. Global partnerships, like those that IBS fosters in its programs and community, are essential antidotes to cultural and religious divisions.

IBS's vision remains compelling and is now widely shared by a significantly expanded School community. Many people at Brandeis and beyond now see IBS as an exciting and even inspiring model for professional education in the new century.

continue to seek to add resources in that context.

Resources for Achieving the Vision

During the preparation of this review, the IBS Board of Overseers asked the School to focus its financial planning, in the first instance, on fully meeting its mission, with operations at levels comparable to those of other top business schools. In other words, the Board encouraged us to base our planning on ambitious outcomes, and not on resource constraints. The financial implications of this approach were carefully analyzed and are reported in Annex G, "A Benchmark Analysis of Resources: IBS vs. Top Business Schools."

The analysis determined that IBS needed \$17.6 million of endowment beyond 2005 levels to pursue its mission effectively, and specifically to achieve operating ratios (for example, faculty-student ratios) comparable to those of peers. The Board further encouraged us to adopt this goal as a fundraising target and eventually pledged funds to cover a large part of the need. Thus, the initiatives proposed below are in many cases already funded by gifts from an extraordinarily supportive Board.

This plan proposes to raise expenditures levels not just to those originally targeted in 2001 (as already noted, we are now below planned levels), but in some cases even higher. Investments are proposed in three areas:

- Academic excellence, and specifically preeminent faculty and programs.
- Exceptional student body and student support.
- World-class operations, with specific attention to accreditation, marketing and executive education.

These initiatives should further energize the "virtuous cycles" of recent years and, we believe, will lead to genuine leadership in the School's fields.

Academic Excellence

The most important investments target core academic assets: the faculty, our international network, and research, outreach and teaching programs.

Faculty

The faculty is the School's single most important asset. The 2001 plan called for increasing the size of the faculty in step with enrollments, maintaining a student/regular faculty⁶ ratio of 15:1. This is in the range of faculty ratios of top business schools (see Annex G), and can be also derived from analyzing the enrollments we need to handle, and course sizes given our pedagogical approach (see Annex C). Table 1 shows that IBS is short of required faculty levels, or put another way, has not added faculty fast enough to keep up with its student population.

The shortfall in regular faculty arose due to insufficient authorizations to hire regular faculty in the past, and was made up in part by hiring adjunct professors. IBS's adjunct faculty is

⁶ Regular faculty members are tenured, tenure-track and "Professors of Practice" appointees (the latter have professional rather than academic credentials). They are frequently jointly appointed with the Department of Economics: 2/3 of our regular faculty members have primary appointments in IBS and 1/3 in Economics.

excellent, consisting of distinguished practitioners and talented teachers, most of whom

Table 1. Planned and Actual Graduate Faculty⁷

	Outset (FY01)	Today (FY06)	FY08
Regular Faculty FTEs			
<i>Planned</i>		17	20
Actual	8	14	
Adjunct Faculty FTEs			
<i>Planned</i>		5	6
Actual	6	6	
Student/Regular Faculty Ratios			
<i>Planned</i>		15:1	17:1
Actual	22:1	23:1	

offer applied subjects that are best taught by practitioners (for example, corporate governance and portfolio management). But the shortfall in regular faculty has also meant that some courses best taught by research-oriented professors have been assigned to adjunct faculty. And, since adjunct faculty members are usually not responsible for functions such as curriculum design, program management, advising, and research, we have also experienced gaps in these areas.

We therefore need to add regular faculty at the rate of 2-3 hires per year until the regular faculty can fully meet the demands placed on it. Our plan is to reach 20 FTEs by FY08 (the end of the 2001 plan) and eventually 23 FTEs in steady state. Those hired must be exceptionally qualified. IBS is attractive to top candidates, and our tenured faculty already includes two "star quality" scholars, with a third such appointment in place for next fall. We also have two younger, highly-regarded tenured professors, and recently appointed two "Professors of the Practice" with exceptional professional and teaching credentials.

Starting in FY04 the University has authorized the necessary regular appointments, and we have made good progress since in expanding the regular faculty. But it will take additional time to eliminate the shortfall fully. There is a "natural" limit on the flow of top applications to any school—at IBS, it appears to be possible to make 2-3 outstanding hires per year. This limit can be overcome by sharply increasing compensation or compromising quality, but for various reasons those are not appealing options.

Research support is important for faculty productivity and for attracting new talent. In business schools, research is typically supported "in-house." The Rosenberg Institute has made possible grants of \$2,500 per year to each faculty member for needs such as research assistants, data, books, computers, and travel to professional meetings; this will should be increased further to match the support offered by peers.

Still more important is time for research. At peer schools, research-active faculty members typically teach three semester courses vs. the four normally required at Brandeis. Adding faculty will permit some reductions in teaching loads for our most productive faculty.

Fields of excellence

Curricular innovation is an IBS hallmark, and we are seeking new ways to embed it in our operations. One such approach is to create signature "fields of excellence" in dynamic areas

⁷ In addition to the graduate faculty shown in this table, IBS also employs 3 FTEs for undergraduate teaching.

within our academic niche. These fields will focus faculty and programmatic investments, and make IBS a recognized leader in key subspecialties of international business.

We will select fields that: (i) address important, rapidly changing areas of knowledge and practice, (ii) attract strong student interest, and (iii) complement existing strengths. As Box B shows, we have identified five such areas, and have already made good progress in three. We will choose opportunistically among fields that meet our criteria, building on clusters of faculty leadership and excellence, as well as outside financial support.

Renewal of our core curriculum is a second essential goal, and is addressed by the “continuous improvement” philosophy that IBS adopted early on. Fifteen percent of courses are new each year, facilitating experimentation and adjustment. A “*Committee on Curriculum and Learning*” takes the lead in “assuring learning” at IBS by measuring student achievement and gathering input from faculty, students and peers on curricular needs.

International partnerships

IBS is committed not just to studying the global economy, but also to being part of it. To deliver truly international learning experiences, we have partnered with prestigious foreign universities from the earliest days of the Lemberg MA Program in 1988. Our network has grown dramatically since, leading also to deeper collaborations such as joint conferences and dual degree programs.

Intensifying these partnerships is a high priority. A good model is the dual degree program that we created with Université Paris IX—Dauphine. Brandeis and Dauphine each offer credit for work done at the other university, so students starting at either university can earn degrees from both, in less time than it would normally take to complete them separately. Some 20 students from Dauphine enroll in the IBS MA each year. We have begun conversations on dual degree programs with several other partners.

By contrast, some of our competitors have built campuses abroad. That approach is costly and, we believe, less effective in delivering global learning experiences. Our partners provide more than the logistics of a foreign campus; they offer the expertise and network of a respected foreign institution. These collaborations represent an important innovation in education, enhancing the degrees of all partners.

Contributing to Brandeis

IBS’s expanding scope will enable it also to contribute more to Brandeis. This may involve, in addition to larger financial contributions, new courses and research opportunities for undergraduates and students from other graduate schools, and joint appointments with departments such as Economics, Psychology, and the Heller School. IBS’s research and outreach programs should also generally enhance Brandeis’s external connections.

Student Experience

Outstanding students and exceptional student experiences are central to our strategy.

Attracting excellent students

With nearly 400 students (317 FTEs), IBS is now as large as the smaller of America’s other elite business schools. Having attained this scale, we can now focus on “shaping” our student body, that is, on increasing selectivity and achieving an optimal mix of student backgrounds. Overall, we plan to increase our applicant pool by approximately 1/3 while increasing enrollments only slightly.

BOX A NEW IBS PROFESSORSHIPS

To support IBS's commitment to preeminence in its key fields of expertise, IBS Overseers and friends have endowed four new faculty chairs. These will enable IBS to attract leading scholars and educators to "anchor" each of its principal fields of specialization. The Chairs will provide direction for the curriculum, bring other outstanding faculty members to Brandeis, and attract visibility through their research, teaching, outreach and other professional activities.

Martin '68 and Ehuva Gross Chair of Financial Markets and Institutions

Financial markets and institutions are among the most innovative and rapidly-changing areas of contemporary business. This Chair will bring an international leader in financial markets to Brandeis. He/she will be a highly respected scholar well versed in practice, linking the School's curriculum to new developments in the field and facilitating connections with leading our experts and practitioners.

Earle W. Kazis '54 Chair of International Finance and Real Estate

Markets for real estate are rapidly globalizing as institutions bring new instruments and investors seek to apply internationalizing ton the The globalization of production is accelerating as technological advances permit companies to allocate ever finer parts of their business systems (including services) to different countries. Professor of the Practice Ed Bayone has been recently appointed to this new chair. Previously the Chief Risk Officer of Fleet Bank, Professor Bayone brings a lifetime of expertise to the financing on real estate and has already engaged a powerful network of alumni and friends in real estate to help teach a distinctive and highly popular group of electives.

Suzanne Lemberg Usdan Chair of Business and Society

New technologies and leaner organizations require entrepreneurial thinking and action. Also, entrepreneurial products and projects increasingly cross borders. The intersection of these trends is the field of international entrepreneurship, which presents Brandeis with an unusual opportunity to lead in an important new field. The study of entrepreneurship began with important, foresighted support by Alex Barkas '68. It has now received a major boost from the establishment of the new Asper

Barbara '54 and Richard M. Rosenberg Chair of Global Finance

Real estate markets are beginning to globalize: REITs are reaching across borders to construct international real estate portfolios, and developers are applying models tested in one market to create value in others. The convergence of international real estate markets offers IBS an opportunity to claim early leadership in a dynamic field. The Brandeis community offers excellent expertise; one prominent alumnus, Earle W. Kazis '55, has taken an first important step by endowing a chair for a "Professor of the Practice of International Real Estate."

BOX B FIELDS OF EXCELLENCE

Architecture of global capital markets International financial markets are the great regulators of global economic activity; their structure, performance and integrity are critical to the health of the world economy. IBS has strong capabilities in this field: we offer nearly 40 courses ranging from technical finance to the economics of asset bubbles. The Barbara '55 and Richard Rosenberg Institute of Global Finance, established two years ago, the new Barbara and Richard M. Rosenberg Chair in Global Finance, and the new Martin '76 and Ehuva Gross Chair in Financial Markets and Institutions provide powerful support for research and visibility in this field.

Global entrepreneurship Entrepreneurial thinking and initiative are no longer the province of small, new companies, but are essential throughout modern enterprise. Entrepreneurial products and projects also increasingly cross borders. At the intersection of these fields is an exciting opportunity for IBS, which we now have the platform to address through the new Asper Center for Global Entrepreneurship. Since IBS began offering entrepreneurship courses six years ago, enrollments in them have increased nearly ten-fold. Prominent activities associated with the Asper Center also attract wide interest throughout the campus and beyond.

Managing the international value chain The globalization of production is accelerating as technological advances permit companies to allocate ever finer parts of their business systems (including services) to different countries. These trends require new strategies for cross-cultural management and for using information technology to streamline international business systems. They also give rise to debates about policy, for example about outsourcing, which speak to IBS's economic expertise.

International real estate Real estate markets are just beginning to globalize; REITs are reaching across borders to construct international real estate portfolios, and developers are applying models tested in one market to create value in others. The convergence of international real estate markets offers IBS an opportunity to claim early leadership in a dynamic field. The Brandeis community offers excellent expertise; one prominent alumnus, Earle W. Kazis '55, has taken an first important step by endowing a chair for a "Professor of the Practice of International Real Estate."

Governance in the global economy Effective corporate governance becomes more urgent as companies become larger and less subject to national regulation. Key issues include financial reporting, risk management, management of multi-cultural labor forces, and social and regulatory demands on global corporations. Alumnus Steven Bunson '82 provided seed funding for a new course in this area, and excellent faculty leadership is also available.

All four of our degree programs—the MA, MBA, MSF and PhD—are well positioned, but the newest of these, especially the MBA, need time to become as widely recognized as our older programs. We are on track to achieving an optimal balance in enrollments across our programs in two or three years (see Annex B for detailed projections).

To meet these goals, our admissions team has undertaken many imaginative initiatives, including attendance at MBA fairs across the world, innovative e-mail marketing, high quality printed materials, and intensive personal communications with top applicants. These are resource-intensive activities. Financial aid is also important, and under increasing pressure from our peers, we will need to increase scholarships.

IBS's competitive position will take a further upward jump when we enter business school rankings. The recognition afforded to IBS by the Economist Intelligence Unit—as the second most international business school in the *Which MBA?* ranking—is an important milestone. Rankings in the *Financial Times*, *US News & World Report* and *Business Week* will follow once AACSB accreditation is achieved. At that time special initiatives (and investments) will be needed to ensure that Brandeis fares well in these publications.

Academic and career support

With a stronger and more sophisticated student body, IBS faces rising expectations for world-class student services. This is an especially challenging task given that students come from around the world, frequently study abroad, and look for jobs worldwide.

The centerpiece of our effort to address this challenge is an innovative academic and career support system aimed at helping students manage a seamless “professional transformation” during their studies at Brandeis. This means setting wise, long-term career goals, and acquiring the skills needed to reach them. This large project begins even before students enroll, with counseling and pre-enrollment programs, continues with planning and learning at IBS, and culminates in job search and employment. All of our key offices—Admissions, Student Services, Career Services—and the faculty participate in the process.

We will continue to invest vigorously in this process, especially through Career Services. We will ensure that students have the best possible on-line tools for researching jobs and companies. We will strengthen our course on “Launching Your Global Career,” which guides students from defining career aspirations to negotiating terms of employment, intensify corporate and alumni outreach, and develop new mentoring systems. In particular, we will increase efforts—such as field trips we now offer to New York and Washington—to bring students in direct contact with employers.

To facilitate these initiatives, we are finding new ways to gather and implement innovative ideas. A “Committee on Student Advising and Support” spearheads our work on the student experience, while a “Committee on Curriculum and Learning” focuses on the formal curriculum. Each includes faculty, staff and students.

A vibrant learning environment

A welcoming cosmopolitan community and the learning opportunities it creates are widely seen by students as our core strengths, and some choose us because of them. Given the large personal sacrifices many students make to come to Brandeis, it is gratifying that they appreciate our efforts to make them feel “at home.”

We therefore need to continue to place high priority on co-curricular activities. The great spaces of the Lemberg Center, particularly the World Court, offer an invaluable backdrop to community-building at IBS. Our “famous” CEO Forum has been recently joined by Entrepreneurship, Real Estate and Corporate Responsibility Forums. In addition, several major public events take place each year in the Rosenberg Institute and the Asper Center, giving students access to nearly 100 prominent business and policy leaders each year.

In recent years, we have also witnessed a flowering of student clubs. The IBS soccer team is now the champion of the Boston-area graduate school league, and the IBS Investment Club received attention in the *Financial Times* for successfully investing part of the University’s endowment. Although these and other organizations are student-led, their sustained success requires active, sensitive encouragement from the (official) sidelines.

Operations

It is essential to support our academic initiatives with effective administration, marketing and financial management.

Accreditation

Early accreditation by the Association for the Advancement of Collegiate Schools of Business (AACSB, the international association of business schools) is important. Accreditation is valuable in itself—it help us to benchmark operations against the best practices of top business schools—and opens opportunities for publicizing our programs. At this writing, IBS has passed an important milestone by having its “Accreditation Plan” accepted; the commitments included in it are built into this overall plan.

Marketing

The 2001 plan noted that prospective students were not well acquainted with IBS. In part, this reflects challenges that the University as a whole faces outside the northeastern United States, but IBS’s recognition level was low also within the Brandeis community.

Several key steps have been undertaken in recent years to define the School’s messages are to make them more widely known. We worked with Hill, Holiday and the wider IBS community—alumni, faculty, staff, students and friends—in this process, and repeatedly updated our website and print catalog. As a result, we now have succinct ways to articulate our mission and to position events, publications, and other forms of outreach (see Box B).

Nevertheless, further investments are needed in branding, marketing and media relations. Outreach to Brandeis alumni and the wider University community—a large, sophisticated and well-disposed group—is essential in this effort, and requires close collaboration with the University’s communications team. We will also need to open a full-time marketing position in IBS to lead initiatives such as direct mail, media relations, public events, website development, newsletter production and other strategies for attracting visibility.

Rankings

Business school rankings are widely criticized—and used. Since rankings offer visibility, entering the rankings is an unavoidable goal for a young school. IBS is now ranked by the Economist Intelligence Unit (EIU)—a significant achievement given that we have been formally a business school for only three years—and will also appear in the lists of *Business Week*, the *Financial Times*, and *US News & World Report* once accreditation is completed.

While IBS's size will constrain its position in general rankings, the School should do well in the "international Business" specialty. Other niche schools, including Babson, Thunderbird and the University of South Carolina, are typically recognized in their specialties. Annex D reports the characteristics of schools in the international business rankings. Brandeis is smaller than most, but it is within their range in student quality and internationalization. The challenge is to make sure that these and other strengths are widely recognized.

Executive programs

An executive education capability is an important because it will increase the School's professional visibility, deepen its corporate partnerships, and enable its faculty to strengthen connections with their fields of practice.

Leading executive education programs are typically offered by prestigious business schools with facilities such as hotel-style housing and specialized classrooms. We cannot compete in this market generally, but there are underserved niches within it. Economic and business policy, particularly private-public sector interactions in economic development, is one such opportunity.

We have recently created a full-time director position for Executive Programs and are seeking an entrepreneurial leader. We are also partnering with other institutions, including the World Bank and the U.S. Agency for International Development on public policy programs, and a private accounting firm on corporate programs. Executive education is a promising area for the School, but it is just entering its initial phase of development.

Resources

IBS's continued success will require careful management of tuition revenues, gifts, and expenditures. As in the past, solid financial results will be important in persuading investors and the University administration to support the School. Annexes E and F provide projections of income, expenditures and assets.

On the revenue side, tuition and program income will exceed levels in the 2001 plan, but the excess will diminish as the School reaches capacity enrollments. By FY08, spending from gifts and endowment income will be \$1.8 million, roughly as planned. To support this spending, we will need to receive \$6.2 million in gifts for endowment and \$0.9 million in gifts for current use in FY07 and FY08. Commitments already in hand make these goals achievable, but of course they will depend on the generosity of supporters.

On the expenditure side, these resources should enable IBS to meet the faculty and staffing proposals of this plan. By FY08, salaries and fringe will have grown to \$5.6 million (including undergraduate programs), and other expenditures to \$1.7 million.

IV. CONCLUSIONS

A vibrant, world-class business school has emerged at Brandeis, offering the University a chance to lead in a compelling academic niche. In revisiting the School's 2001 plan, we reaffirmed its mission, and set new priorities for academic growth.

BOX C IBS MESSAGES

Short versions

Preparing Principled Leaders for the Global Economy

Business, Economics and Finance for Global Leadership

Longer version

The Brandeis International Business School is a pioneering professional school dedicated to teaching and research in global finance, management and economic policy.

We respond to the growing need for international vision and expertise by preparing exceptional individuals from around the world to become principled leaders of global companies and public institutions.

We teach cutting-edge theory, immerse students in international experiences, and connect them to best practice in business and policy. This learning experience transforms the way our graduates view the world, and helps them develop insights to chart its future.

The plan calls for expanding the faculty to levels consistent with the School's new scale, and establishing signature fields of excellence to drive its international leadership. It also proposes investments to recruit outstanding students, in programs that further improve their experience at Brandeis, and in marketing to raise the School's international profile. The financial requirements of this plan should be achievable with continued strong financial management, and with major investments already pledged by our Overseers and friends.

As in the past, partnership with the University's central leadership will be essential for success, especially in development. IBS greatly values its Brandeis context; the IBS story is a dividend of Brandeis's reputation for excellence and innovation. At the same time, the University now benefits from the programs, relationships and financial contributions of IBS.

IBS has a tested vision, significant intellectual, physical and financial assets, and good momentum. Most importantly, it also enjoys the support of a large, energetic, creative community committed to building a preeminent global business school at Brandeis.

Annex A. Goals, Results and Priorities

Area	2001 Goals	Results to 2006	Steps by 2008
Academics	Create a preeminent, niche business school focused on globalization	<ul style="list-style-type: none"> Added a comprehensive business curriculum to existing strengths in finance and economic policy Changed name of School to Brandeis International Business School in 2003 	<ul style="list-style-type: none"> Reaffirm School's mission and ensure implementation in planning and management
	Offer an innovative curriculum on global markets, including advanced technical courses	<ul style="list-style-type: none"> Developed successful core curriculum consisting of integrated coursework in finance, economics, accounting, management and quantitative methods Continuously refreshed course offerings; of 36 courses offered in 2001, 10 have turned over Created new initiatives in experiential learning with courses such as "Consulting Field Projects" and projects on real business problems in various courses Established Committee on Curriculum and Learning to manage the curriculum 	<ul style="list-style-type: none"> Create new "fields of excellence" in dynamic subfields of the School's niche Continuous improvement of core curriculum Expand advanced, technical offerings Expand opportunities for experiential learning (e.g. internships)
	Achieve critical scale in enrollments, faculty, staff	<ul style="list-style-type: none"> Achieved target of 400 enrollments in 2006, well ahead of schedule. Increased graduate faculty from 14 to 20 FTEs, including one prominent, senior macroeconomist Fell short of targeted number of regular faculty members by 2 appointments 	<ul style="list-style-type: none"> Level off enrollments at 330 FTEs (400 students) Add 6 regular faculty members to increase regular graduate faculty to 20 and total graduate faculty to 26 Make additional "star" appointments Offer increased research support Reduce teaching loads for most productive faculty
	Create international partnerships	<ul style="list-style-type: none"> Offered international experiences with 18 foreign business schools, including new partners in Europe and Eastern Europe Hosted 70 high-profile visitors annually 	<ul style="list-style-type: none"> Develop dual degree programs with leading foreign universities Intensify partnerships with foreign universities
	Contribute to University	<ul style="list-style-type: none"> Increased undergraduate admissions in MA program Introduced new undergraduate Business Minor Offered undergraduates access to many courses and programs 	<ul style="list-style-type: none"> Consolidate and strengthen Business Minor Expand access for undergraduates to School's courses and expertise Expand collaborations with other academic units
Student Experience	Attract diverse and qualified student body	<ul style="list-style-type: none"> Increased average GMAT score along with rapid enrollment growth Offered \$2 million in scholarships but still face considerable competitive pressure Increasingly "won" students from other leading schools when finances were comparable 	<ul style="list-style-type: none"> Improve measures of quality such as leadership experience and GMAT Increase selectivity Equalize admissions between MA and MBA Attract additional scholarship funding
	Offer world-class academic and career support	<ul style="list-style-type: none"> Expanded Career Services staff from one to three Increased job postings, company visits and student placements have substantially increased Organized career trips to New York, Washington, London, Paris and other key cities 	<ul style="list-style-type: none"> Add staff and resources in Career Services Expand alumni network, increase company visits, career trips, job postings Expand internship network within and outside the United States

	Create close-knit, international community	<ul style="list-style-type: none"> • Attracted a student body representing 56 nations, evenly split between US and international students. • Leveraged diversity through many team projects and social events 	<ul style="list-style-type: none"> • Promote diversity • Support co-curricular events, clubs • develop learning and research projects to build School's remarkable community
Operations	Achieve AACSB accreditation	<ul style="list-style-type: none"> • Joined AACSB and accommodated operations to accreditation criteria • Developed an Accreditation Plan approved by AACSB 	<ul style="list-style-type: none"> • Implement Accreditation Plan • Create mechanisms for "learning assessment" and adoption of outside best practices
	Invest in marketing	<ul style="list-style-type: none"> • Engaged professionals to help develop messages, publications and media relations strategy • Improved School's website and Internet marketing • Used large e-mail campaigns to market the school to prospective students • Achieved ranking by the Economist Intelligence Unit, as one of top US international schools • Attracted increased press attention, including a regular column in the <i>Financial Times</i> 	<ul style="list-style-type: none"> • Develop an effective marketing campaign for the Brandeis community with support of the Brandeis communications office • Enter additional major rankings, particularly "international business" rankings • Attract more Internet traffic
	Develop executive education capability	<ul style="list-style-type: none"> • Developed "World Financial Centers," "Macroeconomic Policy and Management." • Established new post of Director of Executive Programs and hired seasoned professional 	<ul style="list-style-type: none"> • Establish Executive Programs as a vigorous component of the School's academic program • Develop 2-3 new programs a year targeting special niches • Triple Executive Program revenues
Facilities	Offer adequate, state-of-the-art work spaces	<ul style="list-style-type: none"> • Opened \$8 million Samuel Lemberg Academic Center in Fall 2003 and met planned space requirements • Developed spaces that greatly improve the quality of teaching, research and community 	<ul style="list-style-type: none"> • Bring spaces in the Sachar International Center up to the quality of the Lemberg Center • Invest in state-of-the-art learning technologies • Continue exploring residence concept
Resources	Build tuition revenues and gift income	<ul style="list-style-type: none"> • Increased net tuition revenue from \$2.3 to \$5.4 million • Maintained gifts and endowment income 	<ul style="list-style-type: none"> • Increase tuition and program revenues by 30% • Increase gifts for current use by 50%
	Maintain an operating surplus	<ul style="list-style-type: none"> • Operating surplus grew from \$0.5 to \$1.1 million • Net surplus grew from \$0.2 to \$0.4 million. 	<ul style="list-style-type: none"> • Increase operating surplus by 50% • Increase net surplus by 50%
	Attract financial support (\$50 million goal proposed)	<ul style="list-style-type: none"> • University set \$25 million goal for IBS in the Brandeis Capital Campaign • Will have raised \$30 million by end of Campaign • Expanded support community, including 50 prominent individuals serving on School advisory boards 	<ul style="list-style-type: none"> • Raise \$7 million or more • Continue building the community of supporters • Attempt to secure a naming gift

APPLICATIONS

		Actual		Targeted				
	Base (01)	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
BA/MA	19	15	20	29	29	29	31	31
MA	229	224	176	336	192	241	256	248
MBA	67	63	85	70	120	163	188	206
PhD*	70	104	192	32	186	-	157	-
MSF	32	44	42	31	56	81	84	84
Total	417	450	515	498	583	514	715	570

NEW STUDENT ENROLLMENTS

	Base (01)	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
BA/MA	15	12	16	21	18	22	22	22
MA	48	48	52	88	87	79	75	65
MBA	9	11	25	25	32	36	45	55
PhD*	7	8	5	0	10	0	8	0
MSF	22	35	22	22	38	48	48	48
Total	101	114	120	156	185	185	198	190

RATIOS: ENROLLED/APPLIED

	Base (01)	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
BA/MA	0.79	0.80	0.80	0.72	0.62	0.76	0.68	0.68
MA	0.21	0.21	0.30	0.26	0.45	0.33	0.33	0.28
MBA	0.13	0.17	0.29	0.36	0.27	0.22	0.29	0.30
PhD*	0.10	0.08	0.03		0.05		0.05	
MSF	0.69	0.80	0.52	0.71	0.68	0.59	0.60	0.60
Total	0.24	0.25	0.23	0.31	0.32	0.36	0.28	0.33

* No PhD students were admitted in 2003/04 and every other year thereafter.

Annex C. Enrollments, Courses and Faculty Requirements

Faculty Task	Enrollments					Courses		Faculty (FTEs)			
	MBA	MA	MSF	PhD	All Prog- rams	Average Course Size	Number of Courses	Faculty Required	% Regular	Regular Faculty Required	Adjunct Faculty Required
Students (FTEs)	120	150	40	20	330						
Course enrollments											
Required courses											
BUS	240	-	-	-	240	40	6	1.50	83%	1.25	0.25
ECON	60	225	40	-	325	41	8	2.00	88%	1.75	0.25
FIN	180	225	120	-	525	44	12	3.00	83%	2.50	0.50
Elective courses											
BUS	240	150	40	-	430	24	18	4.50	61%	2.75	1.75
ECON	60	195	40	-	295	25	12	3.00	83%	2.50	0.50
FIN	180	375	160	-	715	29	25	6.25	60%	3.75	2.50
Doctoral courses											
ECON	-	30	-	120	150	19	8	2.00	100%	2.00	-
FIN	-	-	-	20	20	20	1	0.25	100%	0.25	-
Faculty course release											
For research								1.25	100%	1.25	-
For sabbaticals								1.25	100%	1.25	-
For administration								1.00	75%	0.75	0.25
Total	960	1,200	400	140	2,700	30	90	26.00	77%	20.00	6.00

Annex D. Competitive Set of International Business Schools

School	US News		Business Week		Financial Times			EIU		School Data			
	US Top 80	Int'l Business	US Top 30	Int'l Top 10	All Top 100	Int'l Experience	Int'l Mobility	All Top 100	Int'l Top 5	Faculty	Annual Masters Intake	Percent Int'l	Average GMAT
US Universities													
Brandeis									2	34	134	64%	600
Columbia	6	4	8		3	72	52	7		137	517	28%	709
Georgetown	33	15	25		32	60	67	41	4	96	252	38%	660
Monterey					99	18	4			14	96	60%	557
NYU	14	5	13		9	42	66	10		211	393	32%	700
Wharton	3	3	3		1	35	61	8		233	892	36%	713
South Carolina	67	2			78	11	29	94		133	128	28%	630
Thunderbird		1			66	36	16	83	1	73	320	58%	600
International Universities													
CEIBS	China				22	4	96	95		19	112	12%	669
ESADE	Spain		4		35	3	5	35		91	115	79%	660
Hong Kong UST	China				44	1	26			101	50	82%	633
IMD	Switzerland		2		13	47	3	5		46	89	98%	680
INSEAD	France		3		8	5	7	18	3	161	839	89%	707
London	UK		5		5	19	9	31	5	97	303	87%	684
Rotterdam	Netherlands				29	2	10	88		181	158	97%	630
Solvay	Belgium				90	64	1	90		37	55	78%	580
Trinity	Ireland				98	83	2			23	25	60%	630

Publication	Methodology
USNews	Index based on quality assessment, placement success, student selectivity. Rankings: (1) Top 80 schools in the USA, (2) US schools with international specialization.
Business Week	Rankings: (1) Top 30 US schools, (2) top 10 overseas schools
Financial Times	Index based on salaries, value for money, career and placements, alumni recommendations, women faculty, students qualifications, international faculty, international mobility and experience, languages, doctoral and research factors. Rankings: (1) top 100 schools globally, (2) top schools based on international experience in the curriculum, (3) international mobility of graduates.
EIU	Index based on career opportunities, recruiters, job success and salaries, student assessment, personal development and educational experience, quality of faculty, students, student diversity, education experience, networking potential, internationalism of alumni. Rankings: (1) top 100 schools globally, (2) graduate and student assessment of top 5 schools for "internationalism."